(b) if so, whether Government is reconsidering as to what is best for FDI in construction sector;

(c) whether presently 100 per cent FDI is permitted in integrated townships, although real estate industry has long been demanding foreign investment in all types of reality projects;

(d) whether industry is also seeking relaxation of 100 acre norm for integrated township; and

(e) by what time final decision for permitting Foreign Direct Investment in construction sector is likely to be taken?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) to (e) The Government has *vide* Press Note 2 (2005 series) allowed Foreign Direct Investment up-to 100% under the automatic route for development of townships, housing, built-up infrastructure and construction-development projects. As per the revised guidelines, the minimum area to be developed under each project in case of development of serviced housing plots would be 10 hectares and for construction-development projects, 50,000 sq.m. This is aimed at accelerating the growth of the construction sector, which would have a multiplier effect on the economy by encouraging construction activities of all types, improving infrastructure and lead to spin off benefits to manufacturing sector, particularly construction material industries like cement, steel and brick-making. Prior to the Press Note 2 (2005 Series), FDI upto 100% was allowed for development of integrated township subject to guidelines issued *vide* Press Note 3 (2003 series).

Changes in the Patent Law

1562. SHRI RAVULA CHANDRASEKAR REDDY: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that Government has brought out certain changes in the Patent Law;

(b) if so, the reaction of the traders; and

(c) the benefits the general public will get out of it?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) to (c) The Patents

(Amendment) Ordinance, 2004, effective from January 01, 2005, was promulgated on December, 26, 2004, to *inter-alia*, comply with India's international obligations contained in the Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPs) which were due from January, 01, 2005. While considering the amendments, efforts have been made not only to fulfil India's final obligation under the TRIPs Agreement, but also to simplify and rationalize the procedure governing grant of patents so as to make the system more efficient and user-friendly. The main features of the amendment are: introduction of product patent protection in the fields of drug, food and chemicals (in other sectors product patent protection is already available); omission of exclusive marketing rights (EMRs) provisions which were introduced in the first amendment; clarification of provision relating to patenting of software related inventions; modification of opposition procedure; introduction of provision for enabling export of medicines to countries which have insufficient or no manufacturing capacities; strengthening of national security provision; rationalization of provisions relating to time-lines and simplification of procedures.

Given the importance of the issues, the Government undertook broad-based and extensive consultations involving different interest groups on aspects of the law. These included scientists, academicians, economists, representatives of various industry sectors (such as pharmaceutical, biotech and software), chambers of commerce, private and public sector units, journalists, non-Governmental organizations, representatives of State Governments, lawyers and attorneys. During the wide ranging consultations, it emerged that not only were the amendments necessary to meet India's international legal obligations, but also that the Indian industry as a whole has remarkably transformed itself over the past few years, and would stand to gain from a strengthened and balanced patent regime.

Suggestions have been received from different organisations on the provisions of the patent law. These relate to patentability criteria, opposition procedures, compulsory licence and export to other countries. All views and concerns have been taken into account and will be further considered during discussions of the Bill in Parliament to replace the Ordinance.

Establishment of heavy industries in Jammu and Kashmir

1563. SHRI T.S. BAJWA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state: